



# **SINGLE STOCK FUND UPDATE**

**MG MADORA**  
**Commander, OPTEC**

**17 December, 1998**



# **SINGLE STOCK FUND**

## **- Agenda -**

---

### **Purpose:**

**To provide an overview and program update on the Army's Single Stock Fund (SSF) initiative with results of the 14-15 Dec SSF General Officer Working Group**

### **Discussion Topics:**

- **Program Overview**
- **The Plan**
- **Current Focus**
- **Differing Views of SSF**
- **Hot Issues**



# SINGLE STOCK FUND

## - Mission -

Develop and Implement a System For the Army that **Merges** the **existing Army Working Capital Fund (AWCF)** Supply Management Army (SMA) **inventories** located at depots, installations/Corps. In phases **extend** the AWCF-SMA **coverage** down **through** the remainder of the **Corps O&M and EAD** stocks; after successful integration of these stocks into the fund **extend it through the Division ASL's**.



**Re-engineer logistics and financial functions to give the Army**

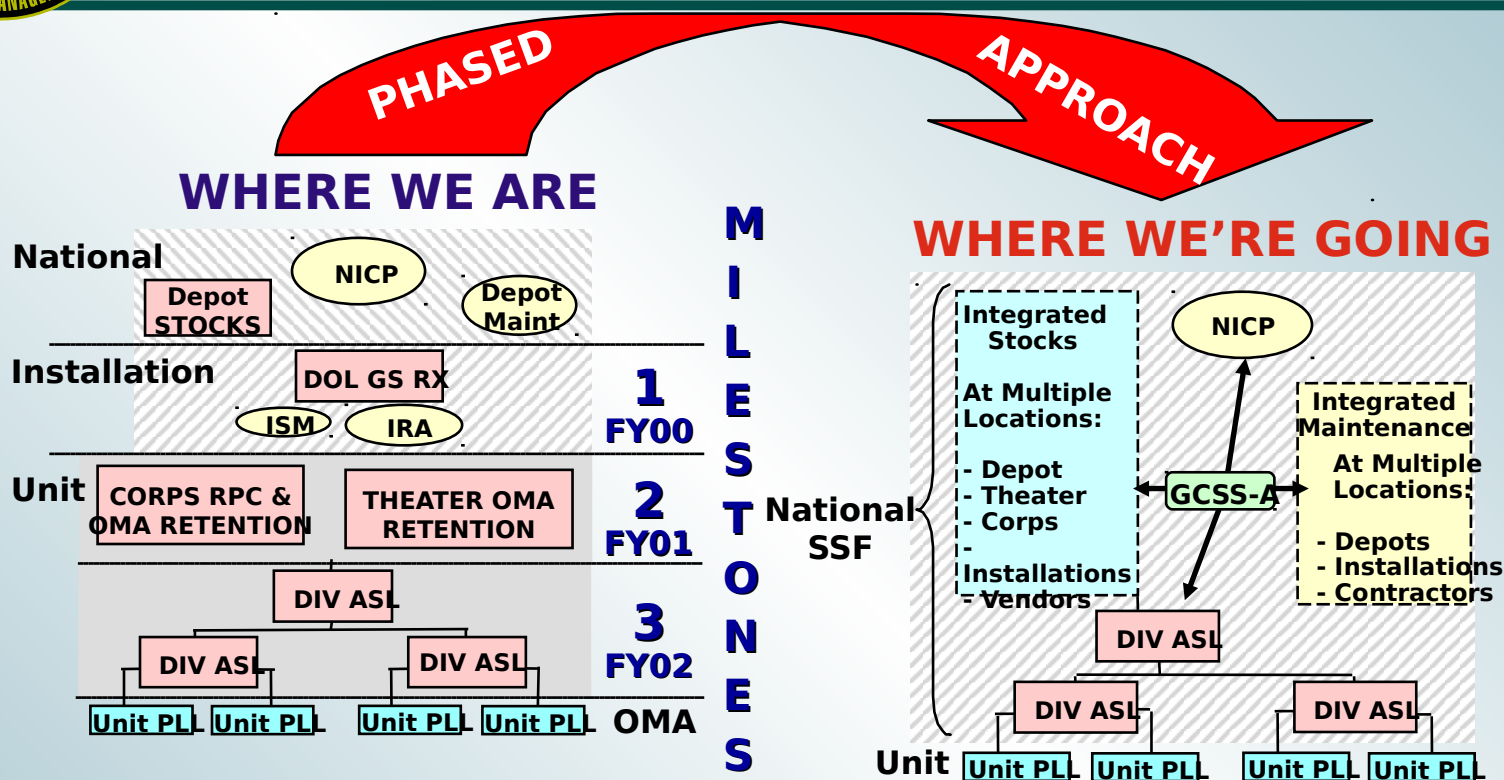
- A Single Point of Sale
- A Single Credit System that is simple, needs based & gradually delinks credit from OPTEMPO
- An Integrated Requirements Determination System



# SINGLE STOCK FUND

## The Vision

### - Changing Business Process -



## OBJECTIVES

- Adequate, balanced, direct-funded OPTEMPO/ BASOPS
- Efficient & effective integrated logistics & financial system to ensure combat readiness of force at a minimum cost to DA
  - Single Manager for a seamless supply & maintenance process, supported by a single automation architecture (Single Stock Fund)
  - Credit that is minimal, need-based, predictable, and simple
  - Requirements & Asset Visibility for both providers and consumers
  - Easy to Use & Easy to Train



# SINGLE STOCK FUND

## - Campaign Plan -

**EVENT  
DRIVEN**

**EXIT &  
FEEDBACK  
CRITERIA  
ESTABLISHED  
Oct 01**

**Oct 97**

**Oct 99**

**Oct 00**

### MILESTONE 0

#### CONCEPT

Maintain Fiscal Solvency &  
Prep for SSF  
Implementation

#### TASKS

PM Appointed  
Implementation & Analysis  
Plans Complete  
CCSS/SARSS/STARFIARS  
Interface & Visibility  
Credit/Pricing Rules  
Established  
Business Rules: Pers &  
Mgmt  
POM Adjustment/Efficiency  
Offset/Safety Valve

#### END STATE

Successful Demonstration,  
Automation Credit  
rules Approved

### MILESTONE 1

#### CONCEPT

Incorporate Installation,  
Theater, Corps AWCF  
Assets into USAMC  
Managed SSF

#### TASKS

NISMM Implemented  
Installation Costs  
Associated w/AWCF  
Borne by AWCF  
One Point of Sale  
Integrated Requirements  
Determination Process  
POM Adjustment/Efficiency  
Offset/Safety Valve

#### ENDSTATE

1. Demonstration of  
Integrated  
Requirements  
Determination  
Process.
2. Functioning Fiscal  
Process

### MILESTONE 2

#### CONCEPT

Incorporate OMA stocks  
above  
Division ASL Assets  
into  
SSF

### MILESTONE 3

#### CONCEPT

Incorporate All O&M  
Stocks  
Above PLL/Shop Stock  
into SSF

**RISK  
UNINTENDED  
CONSEQUENCES  
&  
PROGRAMMATIC  
S**

**TASKS TO  
SUBORDINATES**



# Accelerate Single Stock Fund - Campaign Plan -

**EVENT  
DRIVEN**

**EXIT &  
FEEDBACK  
CRITERIA  
ESTABLISHED**

**OCT 97**

**OCT 98**

**OCT 99**

**OCT 00**

**OCT 01**

## MILESTONE 0

### CONCEPT

Maintain Fiscal Solvency  
Prep for SSF  
Implementation

### TASKS

PM Appointed  
Implementation  
Plans Com

CCSS/SARSS/S  
Interface

Credit/Pricing  
Estab

Business  
Mg

POM A  
C

**END**

**Sup**

## MILESTONE 1

### CONCEPT

Incorporate Installation,  
Theater, Corps AWCF  
Assets into USAMC  
Managed SSF

Implemented

Costs  
w/ AWCF

le  
treatments  
in Process  
efficiency

ly

## **MS1A**

### **Concept**

Maintain Fiscal  
Solvency & Prep for  
SSF Implementation

### **Tasks**

- ♦ Revise SMA OA Flow
- ♦ Revise 37-100-99
- ♦ Change Execution Reporting Structure
- ♦ Establish National Business Office
- ♦ Demonstrate Retail-Wholesale System Linkages

## **End State**

Successful Modeling & Demonstration of  
Wholesale-Retail Linkages

## MILESTONE 2

### CONCEPT

Incorporate OMA stocks  
above

Division ASL Assets  
into  
SSF

## MILESTONE 3

### CONCEPT

Incorporate All O&M  
Stocks

Above PLL/Shop Stock  
into SSF

**RISK**  
**UNINTENDED  
CONSEQUENCES  
&  
PROGRAMMATIC  
S**

**TASKS TO  
SUBORDINATES**

**SUPPORTING SOLDIERS**





# Single Stock Fund - Milestone Acceleration Plan -

## Oct 98 - Milestone 1A

**Definition:** MS1A SSF merges management of SSF Obligation Authority below the Department Level

### Characterized By

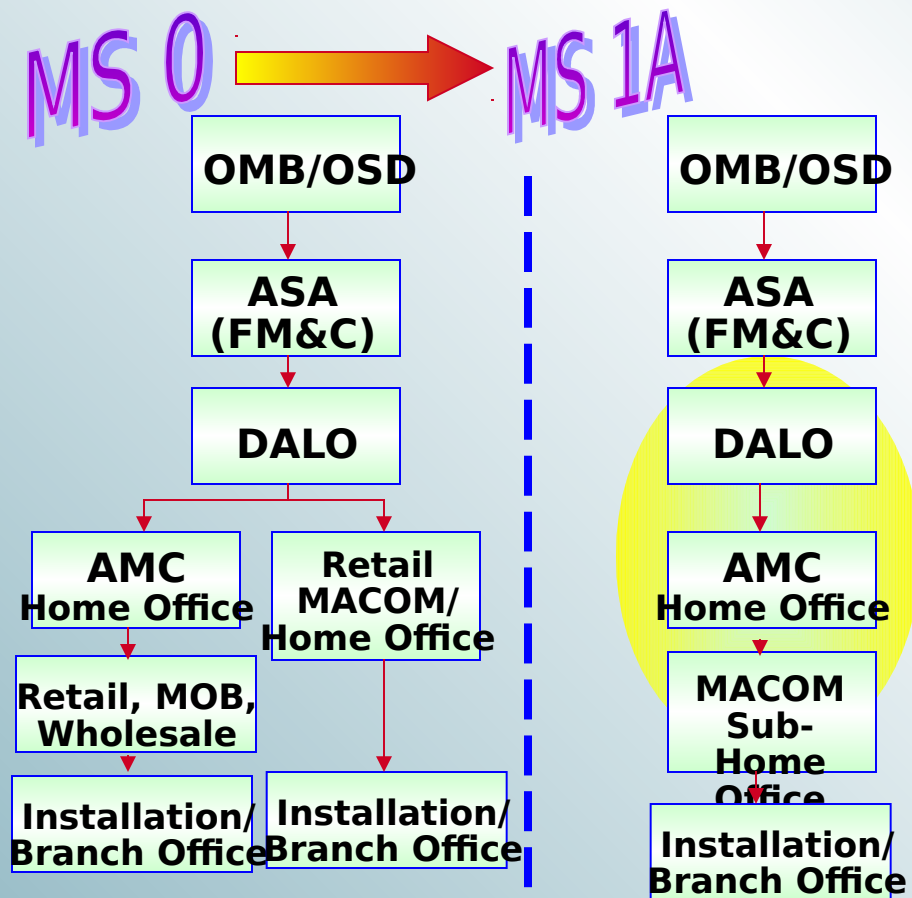
**1 Oct 98 Implementation**

- A new National Management Process that realigns roles, responsibilities of DA DCSLOG & MACOMs

➤ Distribution & Execution of AWCF-SMA **Implementation During FY99**  
OA / Credit by the US AMC

➤ Demonstration of Ability to Link Wholesale AWCF - SMA to Installation

**Lab Environment**  
**Field Sets Conditions For MS1 Success**





# SINGLE STOCK FUND

## - Demonstration Components -

MS1A →

Leading to Milestone 1

### Benchmark

- As Is Credit
- Inventory
- OA Levels

| MOEs |  |                                 |
|------|--|---------------------------------|
| MOE  | Issue  | Function                        |
| 1    | AWCE sales vs. credit over time                | Single Credit Process           |
| 2    | Dollar value of procurement offset             | Integrated Repair Determination |
| 3    | Dollar value of credit issues to customers     |                                 |
| 4    | Dollar value of retail sales                   |                                 |
| 5    | Dollar value of wholesale sales                |                                 |
| 6    | Dollar value of national level sales under SSE |                                 |

| MOPs |   |                                    |
|------|---|------------------------------------|
| MOP  | Issue   | Function                           |
| 1    | Customer Satisfaction                                       | Single Point of Sale               |
| 2    | Personal Assistance   |                                    |
| 3    | Average Customer Wait Time (ACWT)                           |                                    |
| 4    | Number of requisitions filled by referrals                  |                                    |
| 5    | Total number of transactions to support the filling process | Single Credit Process              |
| 6    | Total number of wholesale backorders                        | Integrated Repair Determination    |
| 7    | Total number of FTBs at the installation w/ TB status       |                                    |
| 8    | Total number of retail sales                                |                                    |
| 9    | Total number of wholesale sales                             |                                    |
| 10   | Total number of national level sales                        | Single Point of Sale               |
| 11   | Total number of NMCS requisitions                           | Integrated Sustainment Maintenance |
| 12   | Total number of repairs                                     |                                    |
| 13   | Availability of computer system lines (GNC PI)              | Readiness                          |

1

- Laboratory Simulation Aug 98 - Jan 99
  - Business Rule Assessment
  - Installation, MACOM, and Army Impacts

LIA & AMSAA

2

- Systems Integration Assessment Jan - Feb 99

GRCI AMC

PMILOGS

3

- Field Demonstration
  - Selected Sites
  - Demos both Business Rules and Systems

Apr 99 to June 99  
Program Success

Selected MACOMs

**Goal**  
Assure Impacts are Captured, Assessed prior to MS1

### Metrics

- Measure Changes in:
  - OA Rqmts
  - Credit
  - Repair and Procurement Programs when Inventories are Merged





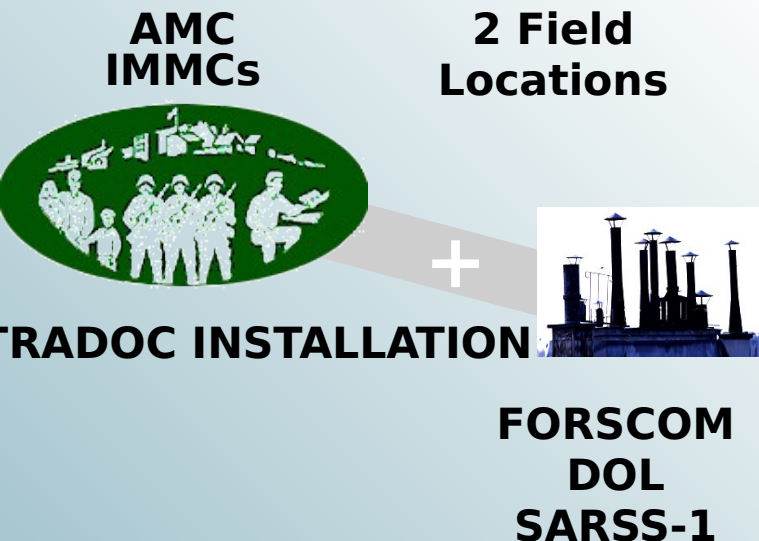
# SINGLE STOCK FUND

## - Field Demonstration Overview -

Apr - Jul 99

**Plan:** 2 Installation Sites & AMC IMMCs

### Concept:



#### Objectives

- Assess procedures, rules, systems impacts on:
  - Installations
  - MACOMs
  - DA
- Assess new financial controls
  - Credit
  - OA
- Minimize disruption to OPTEMPO
- Maintain fiscal solvency

#### Enablers

- MOUs with participating elements
- Credit Policy In Place
- Middleware Developed Tested
- CCSS & STARFIARS-MOD Changes In Place

Jul - Sep  
evaluation  
&  
assessment  
t

SUPPORTING SOLDIERS



# SINGLE STOCK FUND

## - Key Changes - Milestone 1A & 1

| Roles & Missions   | Policy   | Systems  |
|--|--|--|
| <b>Milestone 1A - 1 Oct 99</b> <ul style="list-style-type: none"> <li>• <b>AMC Assumes Overall Management Role for Budgeting &amp; Execution of AWCF-SMA OA</b></li> </ul> | <b>Milestone 1</b> <ul style="list-style-type: none"> <li>✓ <b>Credit</b> <ul style="list-style-type: none"> <li>- From 2 Tiers to 1</li> </ul> </li> <li>✓ <b>Maintenance Management</b> <ul style="list-style-type: none"> <li>- National Workloading for AWCF Reparables</li> </ul> </li> <li>✓ <b>Requirements Objectives/Retention Level</b> <ul style="list-style-type: none"> <li>- Field Retention Assets move in to AWCF-SMA</li> </ul> </li> </ul> | <b>Milestone 1</b> <ul style="list-style-type: none"> <li>• <b>CCSS</b> <ul style="list-style-type: none"> <li>- Reflect Installation Assets</li> <li>- Enable 2 Level Maintenance Decisions</li> <li>- Accommodate DoD and SARSS Redistribution processes</li> <li>- Credit Management (determination, broadcasting, issuing)</li> <li>- Consider SARSS-1 assets for procurement offset &amp; requirements determination</li> </ul> </li> <li>• <b>Middleware</b> <ul style="list-style-type: none"> <li>- Apply Credit by NSN</li> <li>- Fund &amp; signal code changes</li> <li>- Coordinate SARSS &amp; CCSS transactions</li> </ul> </li> </ul> |

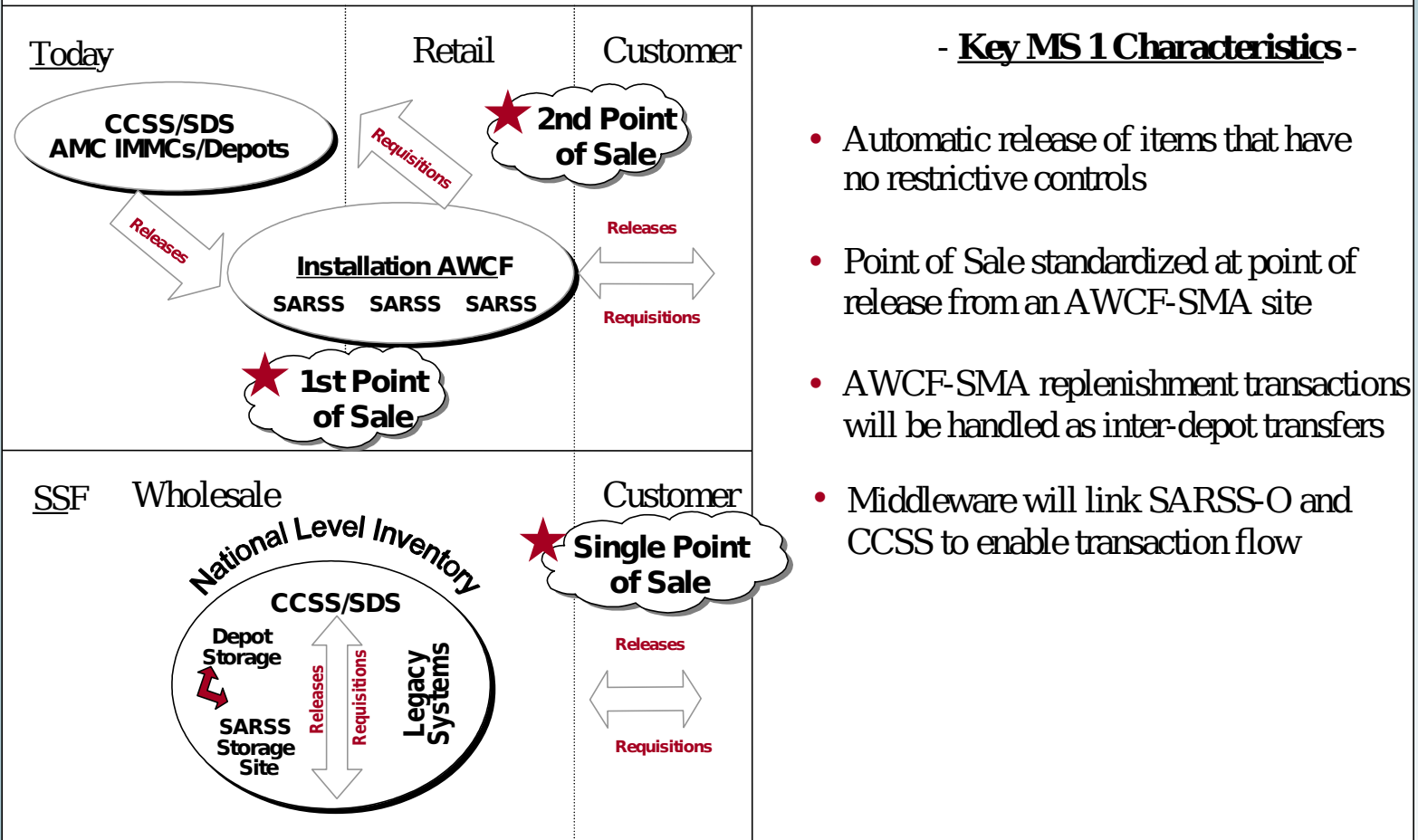


# SINGLE STOCK FUND

## - Single Point of Sale -

### Definition:

Occurs when a consumer-funded requisition is satisfied at point of release from a Nationally-managed AWCF-SMA account which triggers associated billing.





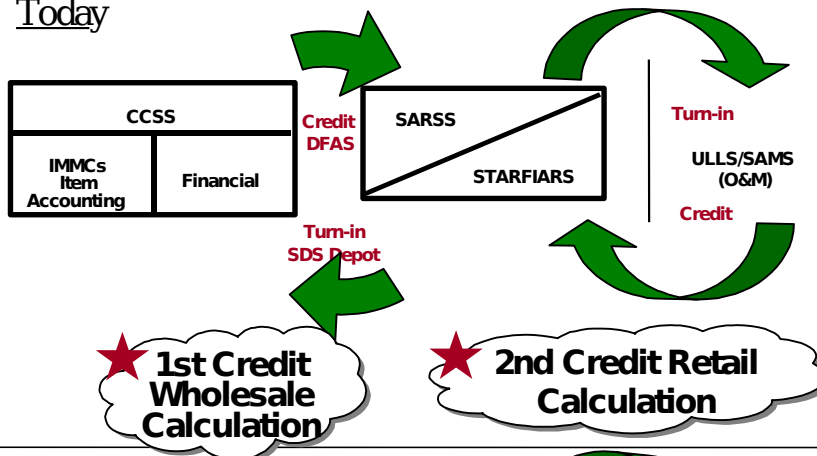
# SINGLE STOCK FUND

## - Single Credit Process -

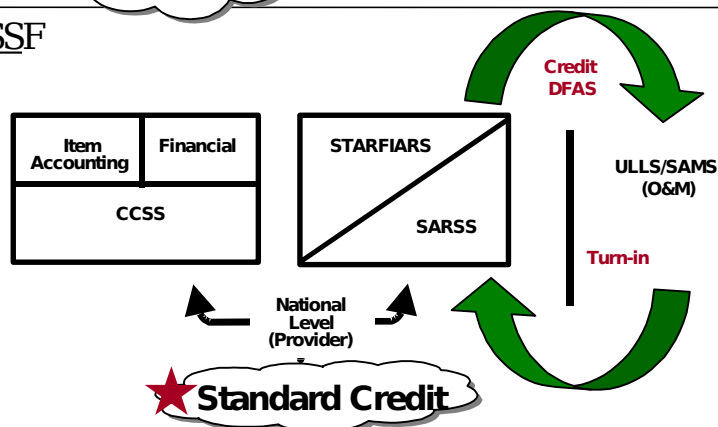
### Definition:

Following materiel return, credit will be initiated from the AWCF-SMA directly to the consumer-funded activity via recording against the obligation authority.

### Today



### SSF



### - Key MS 1 Characteristics -

- Annualized, national, need-based credit
- Established by NSN and serviceability
- Issued by an AWCF-SMA following a customer turn-in
- Stabilized Broadcast via the AMDF/FEDLOG
- Predictable & stable credit values



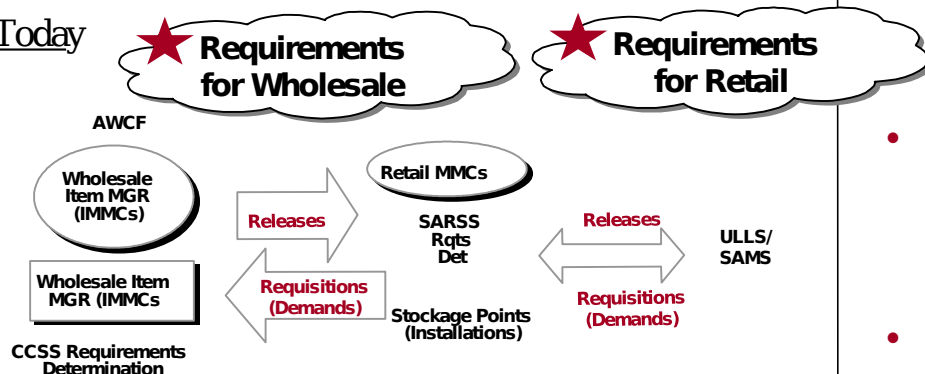
# SINGLE STOCK FUND

## Integrated Requirements Determination -

### Definition:

Occurs when National Manager routinely includes all AWCF-SMA stocks in national requirements determination process.

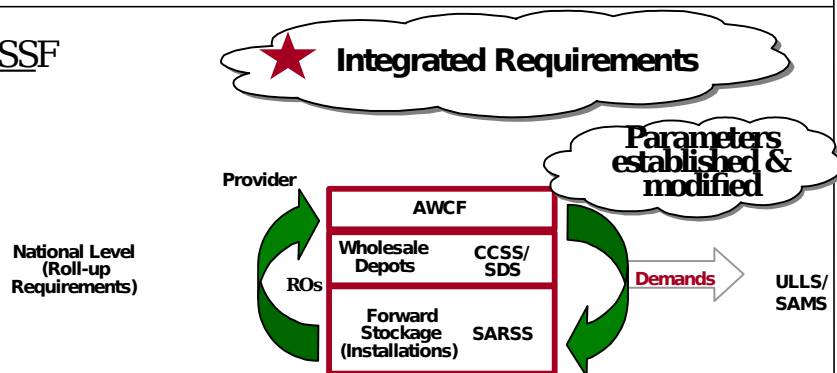
Today



### - Key MS 1 Characteristics -

- SARSS 1 requirements determination process feeds requirements objectives (ROs) to CCSS; AMC/National Business Manager sets parameters
- SARSS-1 ROs set by AMC/installations will replace demands in global computation (eliminates duplication of requirements)
- Installation stocks will be part of National Level Inventory
- ROs will be set in consonance with DA policy; Commanders influence stockage decisions in the ASL review process

SSF





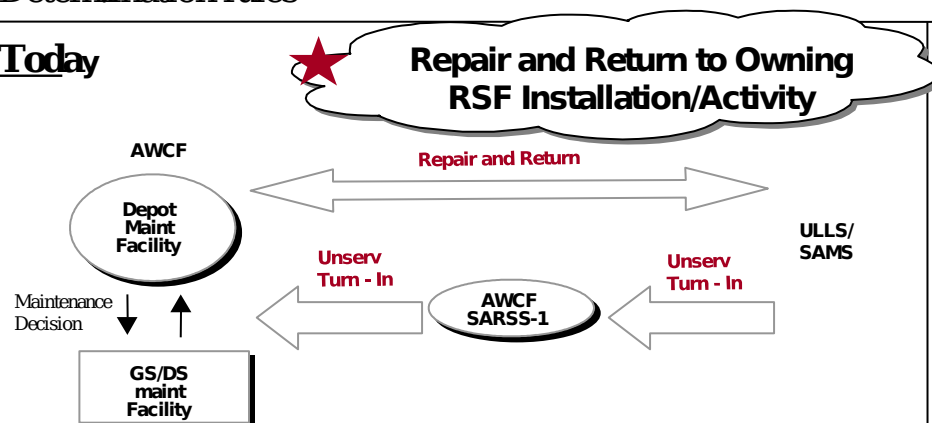
# SINGLE STOCK FUND

## *Integrated Sustainment Maintenance -*

### Definition:

Requirements Objectives for AMI and NAMI Repairables will be computed jointly, as specified in Requirements Determination rules

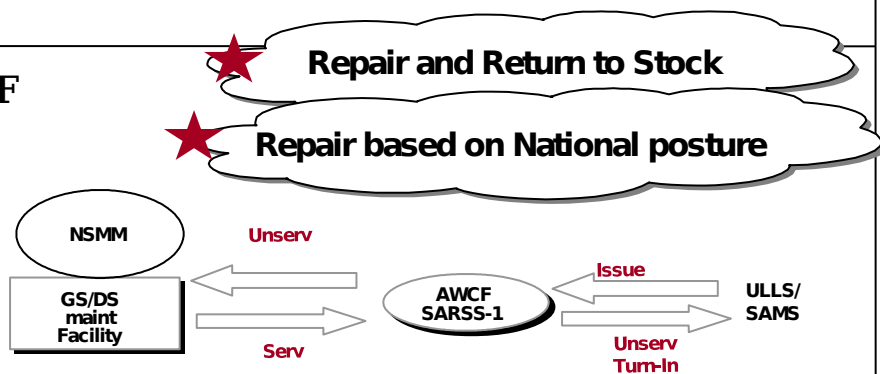
### Today



### - Key MS 1 Characteristics -

- All repairs will be based on total Army requirement
- National manager will utilize ISM (EMIS) repair information to:
  - Assist in allocating workloads
  - Coordinate Funding
- ISM COEs will serve as National storage sites for repaired items
- Repaired items will be available for world-wide distribution as directed by the National Manager

### SSF

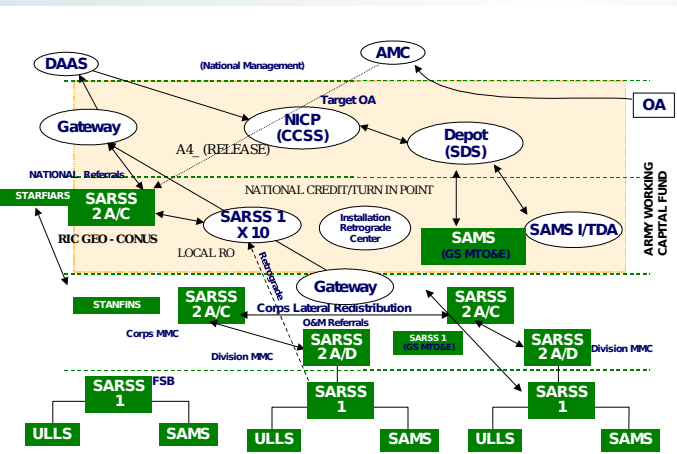






# SINGLE STOCK FUND

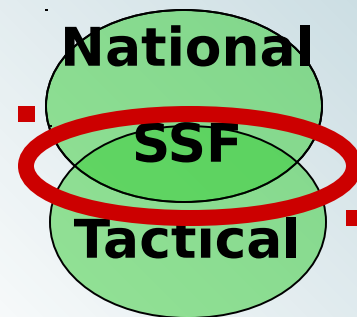
## - Technology: The Evolving Systems Architecture -



**Goal**  
Seamless Log -  
Finance System  
with  
Single Manager

- MS1 - Link Legacy Systems
- MS2 - Integrate & Seamlessly Interface
- MS3

**Benchmark**  
Link processes in  
a Legacy  
Environment

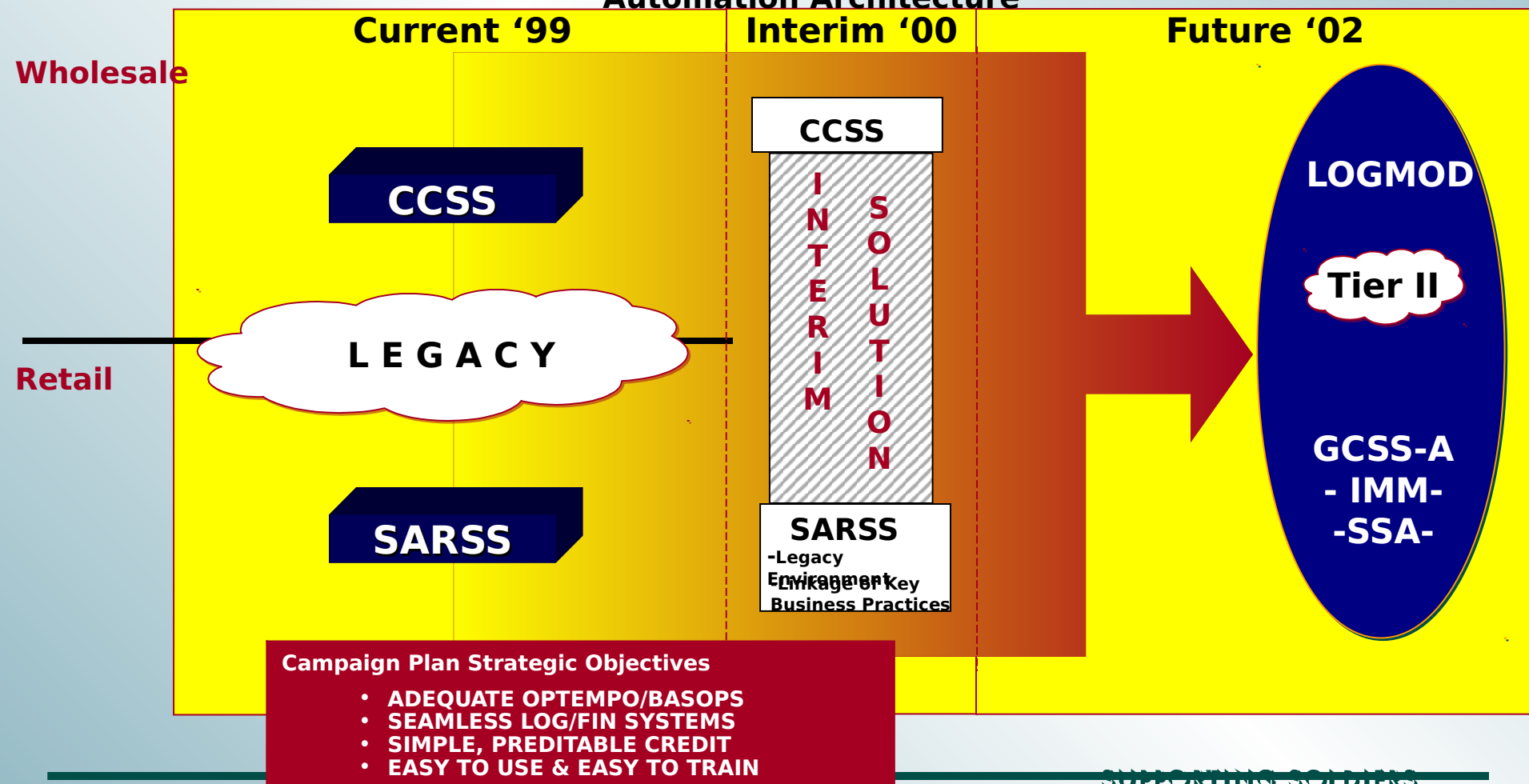




# ***SINGLE STOCK FUND***

## ***- Strategic Framework -***

**At End State, SSF delivers “Seamless Logistics & Finance Systems with a Single Manager Supported by a Single Automation Architecture”**





# SINGLE STOCK FUND

## - Hot Issues -

**Critical Issues  
that are here  
now!**

- **Resource Adjustments -- Supply & Maintenance**
- **POM Adjustments -- OPTEMPO - BASOPS - AWCf**

### **Current Actions**

- **Determining credit & pricing impacts**
- **Programming SSF Systems changes**
- **Developing Middleware interface**
- **Conducting Lab Simulation**

### **Next 45 Days**

- **Defining POM adjustments in Mini-POM**
- **Determining the host installation for the Field Demo - Assessing O&M offset**
- **Publishing the Draft Demo Plan**
- **Hosting Army-wide GOWG (14/15 Dec 98)**



# **SINGLE STOCK FUND**

## **- *Impacts From a Field Perspective* -**

- **Changed Inventory Ownership**
- **Reduced ability to generate and migrate funds**
- **Changed credit flows (eliminating retail-level credits)**
- **National direction of General Support (GS) Repair**
  - Workforce associated with GS repair funded by AWCFF vs. O&M
  - All repairs based on National need
- **Changed billing procedures, billed from wholesale to O&M customer**
- **Changed resource reporting procedures**





# SINGLE STOCK FUND

## *- Benefits From The Army Perspective*

- **Streamline and modernize the Army Supply**
  - Merge Retail & Wholesale stocks
  - Optimize stockage of inventory
- **Enables Integrated Requirements Determination - Procurement Offsets**
- **Redistribute excess inventory Army-wide to offset new procurements**
- **Facilitates National Maintenance Manager**
- **Streamline and improve efficiency of AWCF Financial Management processes**



• **Eliminate redundant financial transactions - \$100 million it**





# **SINGLE STOCK FUND**

## **- Conclusions -**

- ▢ **Status Quo not an option**
- ▢ **ARSTAF & Secretariat addressing tough POM adjustments issues**
- ▢ **Information Technology strategy is to link existing legacy systems in place**
- ▢ **Milestone 1 Business Processes set the stage - will evolve with SSF implementation and GCSS-A Tier II/LOGMOD deployments**
- ▢ **Demo Critical**
  - Will Help Set Maintenance Procedures**